STATE OF UTAH NATURAL RESOURCES Oil, Gas & Mining

Four Grubough Litting

Norman H. Bangerter, Governor Dee C. Hansen, Executive Director Dianne R. Nielson, Ph.D., Division Director

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December 29, 1986

TO: Lowell Braxton, Administrator

FROM: Whitehead, Permit Supervisor

RE:

Silver Reef Mine Board Action, ACT/053/022, Washington

County, Utah

Attached is a brief chronology on permitting issues related to the Silver Reef Mine.

Additionally, as Pam Grubaugh-Littig's, memorandum of November 28,1986 indicates, no reclamation has occurred on site. Thus, the bond amount of \$55,210 would be utilized entirely in dismantling and removing structures, evaporating ponds, and general site cleanup.

While our letter of September 18, 1986 indicated that the matter would be taken before the Board if site reclamation did not occur by November 18, 1986, the issue of ownership and liability for reclamation appears clouded by the withdrawal of Kerley Industries. I would suggest that we obtain clarification on this issue prior to petitioning the Board.

Please advise me if there is anything further you need in order to pursue this matter with management.

djh Attachment(s) 0800R/73

Discussed w/ K. may, Burbone Roberts 1-2-87. Proposed band furtertuse steps to be responented ASAP: Burbone Roberts will seview copy of onclosed & Reputs to King UR he next sky. Cyros of this were given te B.R., Kon 1-1-47 418 1-2-17